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Supreme Court of the United States

OCTOBER TERM 1937.

No. 453

GENERAL ELECTRIC COMPANY,
Petitioner,

vs.

WABASH APPLIANCE CORPORATION, ABE ADLER and ABE M. PARKER,
Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE SECOND CIRCUIT AND BRIEF IN SUPPORT THEREOF.

HUBERT HOWSON,
MERRELL E. CLARK,
ALEXANDER C. NEAVE,
Counsel for Petitioner.

September, 1937.

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SUPREME COURT OF THE UNITED STATES,

OCTOBER TERM 1937.

No.

GENERAL ELECTRIC COMPANY,
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vs.

WABASH APPLIANCE CORPORATION, ABE ADLER and ABE M. PARKER,
Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE SECOND CIRCUIT.

TO THE HONORABLE THE CHIEF JUSTICE AND THE ASSOCIATE JUSTICES OF THE SUPREME COURT OF THE UNITED STATES:

Your petitioner, General Electric Company, respectfully prays that a Writ of Certiorari be issued to the United States Circuit Court of Appeals for the Second Circuit, to review a judgment of that Court entered August 23, 1937. A transcript of the record in the case, including the proceedings in said Circuit Court of Appeals, is furnished herewith in accordance with Rule 38 of this Court.

I. Summary and Short Statement of the Matter Involved.

The sole question involved is the validity of the claims of the Pacz patent No. 1,410,499 that are here in suit. There is a conflict between the decisions of different Circuit Courts of Appeals upon that question.

In a prior case decided December 20, 1935, the Circuit Court of Appeals for the Ninth Circuit, held those claims valid and infringed,[1] affirming the decree of the District Court for the Southern District of California to that effect.[2]

In the instant case, the Court of Appeals for the Second Circuit held those claims invalid (Rec. p. 443), reversing the decree of the District Court for the Eastern District of New York, which, like the Ninth Circuit tribunals, had held the claims valid and infringed (17 Fed. Supp. 901, Rec. p. 413).

The Pacz Patent in Suit:

The Pacz claims in controversy (25, 26 and 27, Rec. p. 348), are for an improved tungsten filament for incandescent lamps.

Prior to the Pacz invention tungsten filaments had been used, but those filaments were subject to two serious and recognized defects known as "offsetting" and "sagging". These defects were the cause of lamp failures.

In explanation of the term "offsetting", it should be pointed out that the early tungsten filaments were made up of many microscopic grains, or crystals, being like a piece of bamboo on a minute scale. That is, the individual crystals were of the same diameter as the filament itself so that the boundaries between them extended clear across the filament. The "offsetting" which occurred in the use of these filaments consisted in a slippage between crystals at their boundaries. The result was analogous to a geological fault. The slippage reduced the cross-sectional area of the filament at the boundary, and this in turn caused the filament to become overheated and to burn out (Rec. p. 28).

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[1] *Anraku* v. *General Electric Co.*, 80 F. (2d), 958; petition for writ of certiorari denied by this Court, 298 U. S. 678, 56 S. Ct. 942, 80 L. Ed. 1399.

[2] *General Electric Co.* v. *Anraku*, 10 Fed. Supp. 935. This opinion by the District Court adopts the report of the Special Master before whom the testimony was taken.

One suggested remedy for this defect was to make the entire filament one continuous crystal so that there would be no boundaries between crystals and therefore there could be no slipping at the boundaries (Schaller patents, Rec. pp. 406, 410). But such single crystal filaments were costly to make and never came into general use (Rec. pp. 120, 292).

Another remedy for "offsetting" consisted in keeping the crystals so *small* that no single crystal ever extended all the way across the filament, and therefore no cleavage plane existed upon which the slippage might occur. This was done by so treating the tungsten material in the early stages of the process of making the filament that the growth of the crystals was arrested before they had become objectionably large. This was Coolidge's contribution to the art (Coolidge patent, Rec. p. 355). In his patent Coolidge disclosed two forms of early treatment for arresting grain growth and thus insuring his small grained filament. One was the "thoria" process, and the other was the "Battersea crucible" process. The Coolidge invention (particularly his thoria process) was adopted as the standard means of preventing "offsetting" (Rec. p. 78, XQ. 214; p. 271, fol. 811).

But these small grained non-offsetting filaments of the Coolidge patent "sagged" badly during the life of the lamp. An ordinary filament as actually used in the lamp is coiled into a very close and fine spiral of wire to concentrate the light and prevent heat losses which would reduce the filament efficiency. When such a filament sags between its supports, the bottoms of the spirals are opened up, thus cooling the filament and reducing its light efficiency. In addition, the sagging may cause a short circuiting of the filament by bringing the tops of the spirals together, resulting in lamp failure, or may shift the filament position (Rec. p. 36).

This was the state of the art when Pacz entered the field. If the grains, or crystals, were allowed to grow, the

filament would offset. If they were prevented from growing the filament would not offset but would sag.

Pacz's invention was a radical departure from these teachings and resulted in a substantially non-sagging, non-offsetting filament which went into universal use.

Pacz solved the problem by making a multi-crystal filament, having crystals of such *large size* that *sagging* was prevented and of such irregular *contour* that even though the boundaries between them extended all the way across the filament, no slippage or *offsetting* occurred (Rec. p. 105).

The Pacz filament, like the Coolidge filament, was of drawn tungsten. But whereas the Coolidge filament, whether made by the "thoria" or "Battersea" process, had *small* grains to overcome offsetting (thereby, however, producing a "sagging" filament), the Pacz filament, which was subjected to a different treatment in the early stages of its manufacture, had large grains of special *contour*, thus preventing *both offsetting and sagging*. Coolidge deliberately retarded grain growth. Pacz deliberately promoted grain growth of a special contour of grain.

The Pacz non-offsetting, non-sagging, multi-crystal, tungsten filament was a new structure and had new and very useful properties. It was a product which never before had existed, and which, as has been stated, has gone into very extensive use. More than five *billion* lamps have been sold, embodying this filament (Rec. p. 55).

The Decisions on the Patent:

We have already noted (*supra*, p. 2) that in the Ninth Circuit case the Pacz claims in controversy were held valid and infringed by the Special Master, by the District Court and by the Circuit Court of Appeals for the Ninth Circuit, and that in this case, they were held valid and infringed by the District Court but were held invalid by the Circuit Court of Appeals for the Second Circuit.

The prior Coolidge patent to which we have referred above, was considered by all of these tribunals. As we have seen, its disclosure is the very antithesis of the Pacz invention. Yet it was upon that very Coolidge patent, coupled with testimony by respondents' expert witness that he could now occasionally make the Battersea process of the Coolidge patent produce a filament similar to that of Pacz, that the Circuit Court of Appeals for the Second Circuit based its holding that the Pacz claims are invalid.

II. The Reasons Relied Upon for the Granting of a Writ of Certiorari.

A. The decision of the Circuit Court of Appeals for the Second Circuit is in conflict as to the validity of claims 25, 26 and 27 of the Pacz patent 1,410,499 with the decision of the Circuit Court of Appeals for the Ninth Circuit in the same matter, and a decision of this Court is required to secure uniformity of decision between the Circuit Courts of Appeals.

B. The Circuit Court of Appeals for the Second Circuit has decided the question of validity of the Pacz claims in a way which is in conflict with the applicable decisions and precedents of this Court and of other Circuit Courts of Appeals.

WHEREFORE, your petitioner respectfully prays that a Writ of Certiorari be issued under the seal of this Court and directed to the United States Circuit Court of Appeals for the Second Circuit, commanding said Court to certify and send to this Court, on a day to be designated, a full and complete transcript of the record and of all proceedings in said Circuit Court of Appeals had in this cause, to the end that this cause may be reviewed and determined by this

Court, that the judgment of said Circuit Court of Appeals be reversed and that such other and further relief be granted as may be deemed proper.

HUBERT HOWSON,
MERRELL E. CLARK,
ALEXANDER C. NEAVE,
Counsel for Petitioner.

Dated, September 24, 1937.

SUPREME COURT OF THE UNITED STATES,
OCTOBER TERM, 1937.

No.

GENERAL ELECTRIC COMPANY,
Petitioner,
vs.
WABASH APPLIANCE CORPORATION, ABE ADLER and ABE M. PARKER,
Respondents.

BRIEF FOR PETITIONER IN SUPPORT OF APPLICATION FOR WRIT OF CERTIORARI.

The Opinions of the Courts Below.

Reference is respectfully made to page 2 of the petition.

Jurisdiction.

The grounds for jurisdiction are as follows:

1. The final decree to be reviewed was based on the opinion of the Circuit Court of Appeals dated and entered August 23, 1937.

2. The judgment was rendered in a suit in equity brought under the patent statutes to determine the validity and infringement of certain Letters Patent.

3. The statute under which jurisdiction is invoked is U. S. Code Title 28, Sec. 347, as amended.

Cases sustaining the jurisdiction when there are conflicting decisions as to the validity of a patent are:

Magnum Import Co. v. *Coty*, 262 U. S. 159, 163;
Powers-Kennedy Contracting Corp. v. *Concrete Mixing and Conveying Co.*, 282 U. S. 175, 176;
Saranac Automatic Machine Corp. v. *Wirebounds Patents Co.*, 282 U. S. 704, 705;
Smith v. *Magic City Kennel Club*, 282 U. S. 784, 785.

Statement of the Case.

The facts, so far as this application is concerned, are sufficiently stated in the petition.

Specification of Errors.

The errors which petitioner will urge, if the Writ of Certiorari is granted, are that the Circuit Court of Appeals for the Second Circuit erred:

(1) In holding claims 25, 26 and 27 of the Pacz patent No. 1,410,499 invalid.

(2) In failing to hold such claims of said patent valid and infringed.

Summary of Argument.

The points of the argument follow the reasons relied upon for the allowance of the writ.

Argument.

I. Conflict between Decisions.

The conflict between the decisions of the Circuit Courts of Appeals for the Ninth and Second Circuits is direct and complete. The Ninth Circuit Court held the Pacz claims valid; the Second Circuit Court held them invalid.

II. The Circuit Court of Appeals for the Second Circuit decided the question of validity of the Pacz claims in a way which is in conflict with the applicable decisions and precedents of this Court and of other Circuit Courts of Appeals.

The Circuit Court of Appeals for the Second Circuit, the only Court that has held the Pacz claims invalid, recognized that the teachings of Pacz and Coolidge were diametrically opposed. It went so far as to state in this connection (Rec. p. 449):

> "It is true that Coolidge taught the *retardation of crystallization*[1] in order to prevent offsetting, while Pacz teaches the *growth* of crystals to prevent sagging and the formation of crystals of irregular contour to prevent offsetting."

However, it continued (Rec. p. 450):

> "But what Coolidge taught is immaterial with respect to the product claims in suit if the product of his Battersea treatment [one of the two processes disclosed by Coolidge for producing his small grained filament] was in fact the same as that described in the claims in suit, for in that event the product so claimed was not new."

The Court then discussed the unsupported testimony of respondents' expert witness on this point. In the course of that testimony this witness had presented some micrographs of filaments which he said he had produced by the Coolidge Battersea process in *ex parte* tests made for the purposes of the trial. Finding that two of these filaments had a coarse grain structure somewhat similar to that of the Pacz filament, instead of the fine grain structure taught by Coolidge,[2] and accepting the unsupported testimony of this witness as to the amount of sag of these two filaments, the Court held that the Pacz claims (Rec. p. 451)—

> "were anticipated by filament produced by the Coolidge Battersea crucible treatment."

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[1] Emphasis ours throughout.

[2] In fact only *one* of these three filaments (Ex. K, Lot N 989) gave any evidence of a crystal structure comparable to that of Pacz (Rec. pp. 314, 315). The Court was in error in stating that two of the three were of this character (Rec. p. 450). We do not know how many filaments the witness made and did not produce in Court.

This decision is in conflict with applicable decisions and precedents of this Court and of other Circuit Courts of Appeals, in the following particulars:

(1) It violates the long established rule, recently restated by this Court in *Mumm* v. *Jacob E. Decker & Sons*, 301 U. S. 168, 171, that:

> " • • • the burden of proving want of novelty is upon him who avers it. Walker on Patents, §116. Not only is the burden to make good this defense upon the party setting it up, but *his burden is a heavy one, as it has been held that 'every reasonable doubt should be resolved against him'.*"

Every reasonable doubt was *not* resolved against respondents when the Circuit Court of Appeals reached the conclusion stated, in spite of the facts:

(a) that the test results relied upon by the Court were *directly contrary to the teachings of the Coolidge patent* allegedly followed;

(b) that other results obtained in the same series of tests were *in accord* with those teachings and therefore confirmed the non-anticipating character of the Coolidge disclosure (Rec. p. 315); and

(c) that the tests in question were *ex parte* tests, made for the purposes of this case (Rec. p. 308) by a witness who was fully familiar with the Pacz invention and whose testimony concerning the tests was entirely uncorroborated.

Instead of resolving every reasonable doubt against the party offering such proof, the Court appears to have resolved every doubt against the petitioner, the patent owner.

(2) The decision violates the rule that a prior patent which is not an anticipation on its face, cannot be made so by testimony that someone familiar with the patent in

suit has been able in *ex parte* tests to work the process of the prior patent in such way as to produce the result of the patent in suit.

Naylor, et al. v. *Alsop Process Co.*, 168 Fed. 911, 920 (C. C. A. 8).

Root Refining Co. v. *Universal Oil Products Co.*, 78 F. (2d) 991, 994 (C. C. A. 3), cert. denied 296 U. S. 626.

The decision of the Circuit Court of Appeals is based directly upon such testimony. In the language of the *Naylor* v. *Alsop* decision, 168 Fed. 911, 920 (C. C. A. 8), such a decision is "ex post facto law of the most pernicious character".

(3) The decision violates the rule that an accidental result does not anticipate. In *Tilghman* v. *Proctor*, 102 U. S. 707, 711, this Court rejected evidence relied upon for anticipation, saying:

> "If the acids were accidentally and unwittingly produced, whilst the operators were in pursuit of other and different results, without exciting attention and without its even being known what was done or how it had been done, it would be absurd to say that this was an anticipation of Tilghman's discovery."

To the same effect is *Eibel Process Co.* v. *Minnesota and Ontario Paper Co.*, 261 U. S. 45, 66.

The holding of the Court of Appeals for the Second Circuit is directly contrary to this doctrine established by this Court.

Conclusion.

From the foregoing it is clear that there is a direct conflict of decisions as to the validity of the patent in suit between two Circuit Courts of Appeals, and that the decision of the Circuit Court of Appeals for the Second Circuit is in conflict with the controlling decisions of this Court and other Circuit Courts of Appeals.

It is urged, therefore, that the petition be granted.

Respectfully submitted,

HUBERT HOWSON,
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Counsel for Petitioner.

September 24, 1937.

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